

COMMODITY

Report

23 May 2018



SHRIRAM INSIGHT SHARE BROKERS LIMITED

Enquiry : +91 33 2359 4612, +91 33 2359 4614, +91 33 2358 1953,
E-mail : research@shriraminsight.com

EVERYTHING YOU
NEED TO KNOW
ABOUT THE COMMODITY



Enquiry : +91 33 2359 4612, +91 33 2359 4614, +91 33 2358 1953, E-mail : research@shriraminsight.com

ECONOMIC / GLOBAL NEWS

- Natural gas prices surged higher as warmer than normal weather is now expected to cover most of the United States for the next 8-14 days. June natural gas rose 3.49% to \$2.908 per million British thermal units, for the highest finish since Jan. 31. MCX Natural Gas June expiry closed at Rs. 200.60 per British thermal unit, up 2.40%.
- The American Petroleum Institute reported that U.S. crude supplies fell by 1.3 million barrels for the week ended May 18. The API data, however, showed a rise of 980,000 barrels in gasoline stockpiles, while inventories of distillates declined by 1.3 million barrels.
- U.K. CBI manufacturers order books reached its lowest level since late 2016, the total order book balance fell to -3% in May, the lowest since November 2016.
- Australia's Westpac- Melbourne Institute Leading Index rose to +0.82% in April from +0.77% in March.
- Japan Nikkei manufacturing sector continued to expand in May, with a manufacturing PMI score of 52.5. That's down from 53.8 in April.
- Taiwan's seasonally adjusted jobless rate edged up to 3.69% in April from 3.67% in March. On an unadjusted basis, the jobless rate dropped to 3.64% in April from 3.66% a month ago.
- Singapore's consumer prices edged up 0.1% year-over-year in April, following a 0.2% rise in March. On a monthly basis, consumer prices decreased 0.5% from March, when it edged down by 0.2%.
- Malaysia's consumer price inflation climbed 1.4% year-over-year in April, just above the 1.3% rise in March. On a monthly basis, consumer prices showed no variations in April.

INDEX	22-MAY-18	21-MAY-18	PTS. CH.	% CHANGE
Dow	24835.99	25013.36	-177.37	-0.71
Nifty	10536.70	10516.70	20.00	0.19
Sensex	34651.24	34616.13	35.11	0.10
USD/INR	68.04	68.12	-0.08	-0.12
Dollar Index	93.51	93.46	0.05	0.05
Euro/\$1US	1.1788	1.1790	-0.0002	-0.02
\$1US/Yen	110.73	111.00	-0.27	-0.24
Pound/\$1US	1.3441	1.3432	0.0009	0.07

MARKET UPDATE

- U.S. stocks closed lower, with major indexes turning decisively negative in afternoon trading and ending near their lows of the day as uncertainty over trade policy and other geopolitical issues remained high. The S&P 500 lost 8.57 points, or 0.3%, to 2,724.44. The Nasdaq Composite Index lost 15.58 points, or 0.2%, to 7,378.46.
- Indian market reversed a five-day losing trend on bargain hunting.

CURRENCY UPDATE

- The U.S. dollar index remained under modest pressure afternoon, even as some of its major rivals, the euro and the British pound, also retreated. The ICE U.S. Dollar Index was 0.1% weaker at 93.563. The WSJ Dollar Index was little changed at 87.08. The British pound jumped to a session high of \$1.3492, the pound was at \$1.3435, from \$1.3428. The euro slipped to \$1.1785, compared with \$1.1791. Against the Japanese yen, the greenback traded at ¥110.92, down from ¥111.05.
- The rupee staged a mild recovery after two sessions of decline and edged higher by 8 paise to end at 68.04 against the US dollar on fresh selling of the American currency by banks and exporters. The domestic currency yesterday hit a fresh 16-month low of 68.12 amid weak global cues. Reversing a two-day downtrend, the rupee resumed higher at 68.03 against Monday's close of 68.12. It later moved in a tight range of 67.92 and 68.09 most part of the day with positive bias before ending at 68.04, showing a gain of 8 paise, or 0.12%. The RBI fixed the reference rate for the dollar at 68.0187.

BULLION	CLOSING		% CH
	22-MAY-18	21-MAY-18	
Gold Jun MCX	31108	31112	-0.01
Gold Jun Comex	1292	1291	0.09
Silver Jul MCX	40495	40387	0.27
Silver Jul Comex	16.575	16.520	0.33
ENERGY			
Crude Oil Jun MCX	4929	4938	-0.18
Crude Jul Nymex	72.20	72.35	-0.21
Natural Gas Jun MCX	200.60	195.90	2.40
Nat. Gas Jun Henry Hub	2.908	2.810	3.49

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	22-MAY-18	21-MAY-18	
SPDR Gold ETF	852.04	852.04	0.00
iShares Silver Trust	9984.34	9984.34	0.00

NAME OF THE ETF	CLOSING		RATIO
	22-MAY-18		
Gold v/s Silver	1292	16.575	77.95
Gold v/s Crude Oil	1292	72.20	17.89

(IN TONS)	LME INVENTORIES DATA			% Change
	22-MAY-18	21-MAY-18	Change	
Aluminum	1232775	1234575	-1800	-0.15
Copper	300175	302900	-2725	-0.90
Nickel	300126	303576	-3450	-1.14
Lead	133275	133275	0	0.00
Zinc	230775	231100	-325	-0.14

BASE METALS	CLOSING		% CH
	22-MAY-18	21-MAY-18	
Aluminium May	154.05	155.75	-1.09
Copper Jun	472.00	467.85	0.89
Nickel May	1005.50	1000.00	0.55
Lead May	168.05	164.25	2.31
Zinc May	207.40	211.30	-1.85

ECONOMIC CALENDER

WEDNESDAY MAY 23, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
2:00 AM	U.S.	API Weekly Crude Oil Stock	-1.300M	-2.800M	4.854M
6:00 AM	Japan	Manufacturing PMI (May)	52.5	53.6	53.8
11:00 AM	France	French Unemployment Rate (Q1)		8.8%	9.0%
12:30 PM	France	French Manufacturing PMI (May)		53.6	53.8
12:30 PM	France	French Markit Composite PMI (May)		56.6	56.9
12:30 PM	France	French Services PMI (May)		57.1	57.4
1:00 PM	Germany	German Composite PMI (May)		54.7	54.6
1:00 PM	Germany	German Manufacturing PMI (May)		57.9	58.1
1:00 PM	Germany	German Services PMI (May)		53.1	53.0
1:30 PM	Eurozone	Manufacturing PMI (May)		56.1	56.2
1:30 PM	Eurozone	Markit Composite PMI (May)		55.0	55.1
1:30 PM	Eurozone	Services PMI (May)		54.7	54.7
2:00 PM	U.K.	Core CPI (YoY) (Apr)		2.2%	2.3%
2:00 PM	U.K.	Core PPI Output (YoY) (Apr)		2.1%	2.2%
2:00 PM	U.K.	Core PPI Output (MoM) (Apr)		0.3%	0.1%
2:00 PM	U.K.	Core RPI (MoM) (Apr)			0.1%
2:00 PM	U.K.	Core RPI (YoY) (Apr)		3.3%	3.4%
2:00 PM	U.K.	CPI (MoM) (Apr)		0.5%	0.1%
2:00 PM	U.K.	CPI (YoY) (Apr)		2.5%	2.5%
2:00 PM	U.K.	Halifax House Price Index (YoY)		4.4%	4.4%
2:00 PM	U.K.	PPI Input (YoY) (Apr)		5.8%	4.2%
2:00 PM	U.K.	PPI Input (MoM) (Apr)		1.0%	-0.1%
2:00 PM	U.K.	PPI Output (MoM) (Apr)		0.3%	0.2%
2:00 PM	U.K.	PPI Output (YoY) (Apr)		2.3%	2.4%
2:00 PM	U.K.	RPI (YoY) (Apr)		3.4%	3.3%
2:00 PM	U.K.	RPI (MoM) (Apr)		0.5%	0.1%
3:30 PM	U.K.	CBI Distributive Trades Survey (May)		4	-2
5:00 PM	India	M3 Money Supply			10.6%
7:15 PM	U.S.	Manufacturing PMI (May)		56.6	56.5
7:15 PM	U.S.	Markit Composite PMI		55.0	54.9
7:15 PM	U.S.	Services PMI (May)		54.9	54.6
7:30 PM	U.S.	New Home Sales (Apr)		680K	694K
7:30 PM	U.S.	New Home Sales (MoM) (Apr)		-2.0%	4.0%
7:30 PM	Eurozone	Consumer Confidence (May)		0.4	0.4
8:00 PM	U.S.	Crude Oil Inventories		-1.567M	-1.404M
8:00 PM	U.S.	EIA Weekly Distillates Stocks		-1.335M	-0.092M
8:00 PM	U.S.	Gasoline Inventories		-1.388M	-3.790M

DISCLAIMER

This document has been prepared by Shriram Insight Share Brokers Ltd. and is meant for sole use by the recipient and not for circulation. This document is not to be reported or copied or made available to others. The information contained herein is from sources believed reliable. It should not be considered to be taken as an offer to sell or a solicitation to buy any security or as an official confirmation of any transaction. We do not represent that it is accurate or complete and it should not be relied upon as such. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The investments discussed or recommended in this report may not be suitable for all investors. Shriram Insight Share Brokers Ltd stock Recommendation Service is a general recommendation service and is not to be construed as an individual investor specific Portfolio Management and Advisory Service.

The user assumes the entire risk of any use made of this information. Each recipient of this document should arrive at an independent evaluation of an investment in the securities of companies referred to in this document and should consult its own advisors to determine the merits and risks of such an investment.

Shriram Insight Share Brokers Ltd shall not be responsible for any loss or liability incurred to the user as a consequence of his or any other person on his behalf taking any investment decisions based on the information, recommendations, research reports, analysis, quotes, etc. provided on the web site

Shriram Insight Share Brokers Ltd and its affiliated company (ies), their directors and employees may;

- (a) from time to time, having a long or short position in, and buy or sell the securities of the company (ies) recommended.
- (b) be engaged in any other transaction involving such securities and act as a market maker in the securities of the company (ies) or lender / borrower to such company (ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

Shriram Insight Share Brokers Ltd shall also not be liable for errors, omissions or typographical errors, disruption delay, interruption, failure, deletion or defect of/in the Service provided by it. All Users of the Service in countries other than India understand that by using the Service, they may be violating the local laws in such countries. If the User chooses